

AGREEMENT

This Agreement is entered into between MBNA AMERICA BANK, N.A. a national banking association having its principal place of business in Newark, Delaware (hereinafter referred to as "MBNA America"), and HOWARD UNIVERSITY, DEPARTMENT OF ALUMNI AFFAIRS, having its principal place of business in Washington, D.C. (hereinafter referred to as "HUDAA") for themselves, their successors and assigns.

1. DEFINITIONS

When used in this Agreement,

- (a) "Agreement" means this Agreement and Schedules A, B, ^{AND} ~~and C~~.
- (b) "Anniversary Date" means April 1, 1999, or the final day of the term of any extension of this Agreement, whichever occurs later.
- (c) "Financial Services" includes but is not limited to credit card programs, revolving loan programs, general bank card services, travel and entertainment card services, residential phone services, and deposit services.
- (d) "Customer" means any Member who is a participant in the Program.

(e) "Mailing Lists" means updated and current lists, magnetic tapes, and/or labels (in a format designated by MBNA America), containing names, postal addresses and telephone numbers of Members segmented by zip codes or reasonably selected membership characteristics.

(f) "Member" means members of HUDAA plus other participants mutually agreed to by HUDAA and MBNA America.

(g) "Program" means those programs and services of the Financial Services MBNA America agrees to offer from time to time to the Members.

(h) "Trademarks" means any logo, servicemark, tradedress, tradename, or trademark presently used or acquired by HUDAA during the term of this Agreement.

2. AGREEMENT TO PROVIDE SERVICES

In accordance with the terms and conditions of this Agreement, MBNA America agrees to offer the Program to the Members, and to directly compensate HUDAA with Royalties generated thereby, and HUDAA agrees to exclusively endorse the Program and provide MBNA America with information, licenses and general assistance for solicitation and administration of the existing and new financial services to Members.

3. RIGHTS AND RESPONSIBILITIES OF HUDAA

- (a) HUDAA agrees that during the term of this Agreement and any extension, it does and will continue to endorse the Program exclusively and will not sponsor, advertise, aid or develop any Financial Services of any organization other than MBNA America. HUDAA will not license its Trademarks, nor sell, rent or otherwise make available its Mailing Lists or information about its current or potential Members in relation to or for promoting any other Financial Services. HUDAA further agrees that during the term of this Agreement, no HUDAA publication shall carry advertisements for any other Financial Services.
- (b) HUDAA authorizes MBNA America to solicit its Members by mail, advertisements and/or telephone for participation in the Program.
- (c) HUDAA shall have the right of prior approval of all Program advertising and solicitation materials to be used by MBNA America which contain either HUDAA's Trademark or the endorsement of HUDAA which approval shall not be unreasonably withheld or delayed.
- (d) HUDAA shall provide MBNA America with current and updated Mailing Lists free of charge. In the event there is a cost to MBNA America for an initial mailing list or an update to that list, the cost shall be deducted from the Royalties earned by HUDAA.

(e) HUDAA shall not provide any information to or otherwise communicate with Members or potential Members about the Program without MBNA America's prior written approval, except for current advertising and solicitation materials provided by MBNA America to HUDAA.

(f) HUDAA warrants and represents that it has the right and power to license the Trademarks to MBNA America for use as contemplated by this Agreement. HUDAA hereby grants MBNA America a limited, non-exclusive license to use its Trademarks solely in conjunction with the Program, including the promotion thereof. This license shall be transferred upon assignment of this Agreement. This license shall remain in effect for the duration of this Agreement and shall apply to the Trademarks of any successor corporation or organization as well as any Trademarks used or acquired by HUDAA during the term of this Agreement. This license shall terminate upon the expiration or termination of this Agreement. Nothing stated in this Agreement prohibits HUDAA from granting to other persons a license to use the Trademarks in conjunction with the providing of any other service or product, except for any Financial Services.

(g) HUDAA shall provide MBNA America with a subscription without charge to any and all HUDAA publications.

4. RIGHTS AND RESPONSIBILITIES OF MBNA AMERICA

(a) MBNA America shall design, develop and administer the Program for the Members.

(b) MBNA America shall design all advertising, solicitation and promotional materials with regard to the Program. MBNA America reserves the right of prior approval of all advertising and solicitation materials concerning or related to the Program.

(c) MBNA America shall bear all costs of producing and mailing materials for the Program.

(d) MBNA America shall make all credit decisions and shall bear all credit risks with respect to an individual Customer's or Member's accounts independent of HUDAA.

(e) MBNA America shall use the Mailing Lists consistent with this Agreement, and shall not permit those entities handling the Mailing Lists to use them for any other purpose. MBNA America shall have the right to designate persons on the Mailing Lists to whom promotional material may not be sent including, without limitation, based on appropriateness of product offered, Members who have been denied credit from previous mailings, who reside in a foreign country or reside in states where credit card solicitations are prohibited by law or subject to prohibitive legal or logistic conditions. The Mailing Lists are and shall remain the sole property of HUDAA. However, MBNA America may maintain separately all information which it obtains as a result of an account relationship or an application for an account relationship. This information becomes a part of MBNA America's own files which shall not be subject to this Agreement and will not imply or suggest an endorsement by HUDAA.

5. ROYALTIES

During the term of this Agreement, MBNA America shall pay to HUDAA all Royalties set forth in Schedules A and B, attached and incorporated herein. HUDAA shall submit a completed IRS W-9 form immediately following execution of this Agreement. Royalties will not be paid without a completed IRS W-9 form.

6. CROSS INDEMNIFICATION

HUDAA and MBNA America each will indemnify and hold harmless the other party, its directors, officers, agents, employees, parent, subsidiaries, affiliates, successors and assigns from and against any and all liability, causes of action, claims, and the reasonable and actual costs incurred in connection therewith, which result from the breach of this Agreement by HUDAA or MBNA, respectively as the case may be, or its directors, officers or employees. This provision includes the Trademark license granted herein. This provision also includes MBNA's design, development and administration of the Program which shall be MBNA's sole responsibility. Each party shall notify the other party in writing (in the manner provided for in this Agreement) of notice of any claims or complaints that may result in the indemnification by the other party. This Agreement is not assignable by either party without the written consent of the other party.

7. RATES AND BENEFITS

MBNA America reserves the right to make periodic adjustments to the terms and features of the MBNA America Program. MBNA America shall inform HUDAA prior to such an adjustment. In the event the change increases the fees or finance charges to be paid by the Customer, MBNA America shall, as required by Delaware and applicable federal law, give each Customer the opportunity to reject the change and pay the existing balance under the prior terms, in accordance with Delaware and applicable federal law.

8. CONFIDENTIALITY OF AGREEMENT

MBNA America and HUDAA expressly agree that the terms of this Agreement shall remain confidential as of the issue date of the proposal and will not be disclosed to the general public or any third person, except by mutual written consent (assignment of this Agreement shall not be a violation of this provision).

However, MBNA America and HUDAA shall be permitted to disclose such terms to their accountants, legal, financial and marketing advisors as are necessary for the performance of their respective duties, or as required by law, provided that said advisors agree to be bound by the provisions of this Section 8.

9. TERM OF AGREEMENT

(a) The initial term of this Agreement will be for a five (5) year period beginning April 1, 1994 until April 1, 1999. This Agreement will be automatically extended on the Anniversary Date or any extension thereof for successive two-year periods

unless any party gives written notice at least ninety (90) (but not more than one hundred and eighty (180)) days prior to the Anniversary Date, as it may be extended, to the other party of its intention not to renew.

(b) Schedules A and B are accurate as of April 1, 1994, and MBNA America shall not adjust the rate provisions of this Schedule A for ninety (90) days from such date.

(c) MBNA America shall have the right to prior review and approval of any notice in connection with, relating or referring to the termination of this Agreement communicated by HUDAA to the Members. Upon termination or expiration of this Agreement, HUDAA shall not take action with MBNA America, or any other person to cause the removal of HUDAA's identification or Trademarks from the credit devices or records of any Customer prior to the expiration of the Customer's credit device.

10. STATE LAW GOVERNING AGREEMENT

This Agreement shall be governed by and subject to the laws of the State of Delaware and shall be deemed for all purposes to be made and fully performed in Delaware.

11. TERMINATION

(a) In the event of any material breach or default of this Agreement by MBNA America or HUDAA, the other party if affected by this breach may, in its sole

discretion, cancel this Agreement by giving sixty (60) days written notice to the defaulting party, provided that the defaulting party has been given a reasonable opportunity to cure the breach or default.

(b) If either MBNA America or HUDAA becomes insolvent in that its liabilities exceed its assets, is adjudicated insolvent, takes advantage of or is subject to any insolvency proceeding, makes an assignment for the benefit of creditors or is subject to receivership, conservatorship or liquidation this Agreement shall immediately terminate. Any license granted or Mailing Lists provided under this Agreement shall not constitute assets or property in such proceeding which may be assigned or which may accrue to any trustee, receiver, creditor, or to any court or creditor appointed committee or receiver.

(c) Upon expiration or termination of this Agreement, MBNA America shall, in a manner consistent with Section 9(c) of this Agreement, immediately cease to use the Trademarks. MBNA America agrees that upon such expiration or termination it will not claim any right, title, or interest in or to the Trademarks.

12. MISCELLANEOUS

(a) This Agreement cannot be amended except by written agreement signed by the authorized officers of all parties hereto.

(b) The obligations in Sections 6, 8 and 9(c) shall survive any termination or expiration of this Agreement.

(c) The waiver or failure of any party to exercise any rights under this Agreement shall not be deemed a waiver of any right or any future rights.

(d) The section captions are inserted only for convenience and are in no way to be construed as part of this Agreement.

(e) If any part of this Agreement shall for any reason be found or held invalid or unenforceable by any court or governmental agency of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of this Agreement which shall survive and be construed as if such invalid or unenforceable part had not been contained herein.

(f) All notices relating to this Agreement shall be in writing and shall be deemed received upon actual receipt of overnight courier delivery, registered or certified mail, postage prepaid, return receipt requested by:

(i) If to HUDAA:

HOWARD UNIVERSITY, DEPARTMENT OF ALUMNI AFFAIRS

Aministration Building

2400 5th Street N.W.

Washington, D.C. 20159

ATTENTION: Mrs. Nesta H. Bernard

Director, Department of Alumni Affairs

(ii) If to MBNA America:

MBNA AMERICA BANK, N.A.

400 Christiana Road

Newark, Delaware 19713

ATTENTION: Mr. William P. Morrison

Executive Vice President

Any party may change the address to which communications are to be sent by giving notice of such change of address.

(g) This Agreement contains the entire agreement of the parties with respect to the matters covered and no other or prior promises, negotiations or discussions, oral or written, made by either party or its employees, officers or agents shall be valid and binding.

(h) It is agreed and understood that MBNA America, and HUDAA are not agents, representatives or employees of each other.

(i) Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give any person other than HUDAA, and MBNA America, their successors and assigns, any rights or remedies under or by reason of this Agreement.

IN WITNESS WHEREOF, the parties hereto by their authorized representatives have set their hands on the dates indicated below and warranted that they are authorized representatives.

HOWARD UNIVERSITY, DEPARTMENT OF ALUMNI AFFAIRS

Dated this ____ day
of _____, 1993 4

By: 
James A. Fletcher II

Title: Treasurer

MBNA AMERICA BANK, N.A.

Dated this ____ day
of _____, 1993 4

By: 

Title: EXECUTIVE VICE PRESIDENT

SCHEDULE A

I. TERMS AND FEATURES

Subject to MBNA America's right to vary the terms and features of the program, and to the terms and conditions entered into between MBNA America and each Customer.

A. Credit Card Accounts

- o There is NO Annual Fee for Alumni Members.
- o There is NO Annual Fee for the first year for Student Members.
- o The Annual Fee, when applied, is:
 - \$20.00 Preferred Credit Card Account;
- o The current Annual Percentage Rate for Alumni Members of HUDAA will be a fixed rate of 16.9%, or a variable rate of prime rate plus 8.9%, which is currently 14.9%. The prime rate will be the highest U.S. prime rate as published in the Money Rates Section of The Wall Street Journal. A Customer's rate may also vary depending on the payment history of the Customer and will be determined on a quarterly basis. The terms referenced above will be subject in all respects to the terms set forth in the Credit Card Agreement entered into between MBNA America and each such Customer, as the same may be amended from time to time.
- o The current Annual Percentage Rate for Student Members of HUDAA will be a fixed rate of 17.9%, or a variable rate of prime rate plus 10.9%, which is currently 16.9%. The prime rate will be the highest U.S. prime rate as published in the Money Rates Section of The Wall Street Journal. A Customer's rate may also vary depending on the payment history of the Customer and will be determined on a quarterly basis. The terms referenced above will be subject in all respects to the terms set forth in the Credit Card Agreement entered into between MBNA America and each such Customer, as the same may be amended from time to time.

B. GoldReserve Accounts

- o There is No Annual Fee for the first six months for the Members.
- o The Annual Fee the second six months, when applied, is \$7.50.
- o Thereafter the Annual Fee, when applied, is \$15.00.
- o The current Annual Percentage Rate is 16.9%.

Customers will be offered opportunities to select credit insurance as a benefit under the Program.

II. ROYALTY ARRANGEMENT

During the term of this Agreement, or any extension thereof, MBNA America will pay HUDAA a Royalty calculated according to the following schedule, for those accounts with active charging privileges:

A. CREDIT CARD ACCOUNTS

- o \$1.00 for every new Credit Card Account opened and active by a Member of HUDAA, which remains open for at least ninety (90) days.
- o \$1.00 each year thereafter that an Alumni Credit Card Account is open and active by an Member.
- o .40 of 1% of all retail purchase transactions made by Alumni Members of HUDAA (net refunds and returns).
- o \$3.00 each year a thereafter that a Student Credit Card Account is opened and active by an Student Member of HUDAA, and an Annual Fee is paid by the Customer.
- o .15 of 1% of all retail purchase transactions made by Student Members of HUDAA (net refunds and returns).
- o \$15.00 for every Gold Credit Card Account opened by HUDAA, not generated by MBNA America marketing programs, but through internal programs sponsored and funded by HUDAA. This is a one time payment, per account opened, net of any marketing costs paid by MBNA America such as providing art work, printing, etc. Any marketing materials developed by HUDAA must be approved in writing by MBNA America prior to distribution.
- o \$10.00 for every Preferred Credit Card Account opened by HUDAA, not generated by MBNA America marketing programs, but through internal programs sponsored and funded by HUDAA. This is a one time payment, per account opened, net of any marketing costs paid by MBNA America such as providing art work, printing, etc. Any marketing materials developed by HUDAA must be approved in writing by MBNA America prior to distribution.
- o .50 of 1% of phone transaction volume (net refunds and fraudulent calls) made by Alumni Members of HUDAA who have a credit card account opened pursuant to this Agreement and take advantage of the phone services credit card benefit. Phone transactions will not qualify for any other transaction-based royalty.
- o Upon implementation of the first direct mail marketing effort, MBNA America agrees to make a one-time payment to HUDAA of \$100,000 (one hundred thousand dollars) as an advance on future royalties, as outlined above, provided HUDAA allows for the full implementation of program marketing (direct mail, telemarketing, direct promotions).

- o Provided that HUDAA signs an agreement with MBNA America, MBNA agrees to pay HUDAA a donation of \$5,000 (five thousand dollars) payable on implementation of program marketing and \$5,000 (five thousand dollars) upon the one year anniversary of the signing date of this agreement.
- o HUDAA shall be guaranteed total royalties of \$150,000 (one hundred fifty-thousand dollars) during the five years of the Agreement from April 1, 1994 to April 1, 1999 payable on or before April 1, 1999, if not previously earned, based on the following conditions.
 - o MBNA America is guaranteed the right to conduct a minimum of two (2) direct mail and two (2) telemarketing campaigns to the full alumni and student list each year for the term of the Agreement. Direct Promotions will be given the ability to promote the credit card program "on campus" at major events as well as "ongoing" through tabling and posterage.
 - o HUDAA must endorse the Financial Services as defined in this Agreement, in conjunction with the Program during the term of this Agreement.

Except where otherwise provided, payment for the above sections shall be made approximately 45 days after the end of each calendar quarter.

B. GOLD RESERVE REVOLVING LOAN ACCOUNTS
(OFFERED TO ALUMNI MEMBERS ONLY)

1. \$0.50 for each Gold Reserve Account opened during each calendar year, as determined in each calendar quarter. This will be paid within 45 days of each quarter end.
2. 0.25% of the average of the 12 month-end outstanding balances in the calendar year for each Gold Reserve Account with active charging privileges. This amount will be paid annually within 60 days of the calendar year end.
3. \$2.00 for each Gold Reserve Account renewed, for each year that such account is renewed, applicable Annual Fee is paid and active charging privileges are in force. This amount will be paid approximately 45 days after the close of each calendar quarter.

SCHEDULE B

I. MONEY MARKET DEPOSIT ACCOUNT ("MMDA")

- (a) Interest rates shall be adjusted weekly based on the Donoghue Taxable Money Fund Average ("DMF") seven-day yield.
- (b) Customers receive a separate "Rate Advantages" above the DMF for balances between \$15,000 and \$49,999; and for balances \$50,000 and over; balances below \$2,500 earn the lesser of DMF minus .25% or 5.25% per annum; balances between \$2,500 and \$14,999 earn the actual DMF.
- (c) Customers may write up to three (3) checks per statement cycle.
- (d) Customers shall receive personalized checks free of charge (no charge for reorder and no minimum amount required per check).

II. CERTIFICATE OF DEPOSIT ACCOUNT ("CD")

- (a) The interest rate for the stated term of the CD is guaranteed to stay the same.
- (b) Interest will be credited to the certificate's principal which may be withdrawn by the Customer on a periodic basis.
- (c) There will be penalties assessed for early withdrawal according to the terms of the CD.
- (d) Customers will be notified in writing prior to maturity so that a timely reinvestment decision may be made.

III. MMDA AND CD

- (a) All eligible deposits will be insured consistent with FDIC regulations (currently insured to \$100,000 per depositor);
- (b) Interest will be credited from the day MBNA America receives a deposit (assuming a valid tax identification number has been provided and funds are subsequently collected) and such interest will be compounded daily;
- (c) A minimum deposit of at least \$2,500 is required to establish each account.
- (d) MBNA America will wire transfer funds on behalf of a Customer if the Customer has pre-authorized instructions on file with MBNA America.

IV. ROYALTIES

- (a) Ten one-hundredths of one percent (0.10%) on an annualized basis, computed monthly (periodic rate of 0.008333%) of average MMDA deposits of HUDAA Members obtained by MBNA America pursuant to the Program.
- (b) Five one-hundredths of one percent (0.05%) on an annualized basis, computed monthly (periodic rate of 0.004167%) of the average CD deposits of HUDAA Members obtained by MBNA America pursuant to the Program.
- (c) MBNA America shall not be required to pay any compensation with respect to deposits under the Program if the license for the Program is terminated.

Except where otherwise provided, payment for the above sections shall be made approximately 45 days after the end of each calendar quarter.

**TERM EXTENSION ADDENDUM TO THE HOWARD UNIVERSITY
DEPARTMENT OF ALUMNI AFFAIRS AGREEMENT**

THIS ADDENDUM and Attachment #1 (the "Addendum") is entered into this 15th day of February, 2001, by and between Howard University Department of Alumni Relations ("HUDAR"), and MBNA America Bank, N.A. ("MBNA America"), for themselves and their respective successors and assigns.

WHEREAS, HUDAR and MBNA America are parties to an affinity agreement, as the same may have been amended (the "Agreement"), wherein MBNA America provides certain financial services to certain persons included in certain lists provided to MBNA America by or on behalf of HUDAR; and

WHEREAS, HUDAR and MBNA America mutually desire to extend the term of the Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreement contained herein, HUDAR and MBNA America agree as follows:

1. The above recitals are incorporated herein and deemed a part of this Addendum. Capitalized terms used but not otherwise herein defined are used as defined in the Agreement.

2. The current term of the Agreement is hereby extended to end April 1, 2006. Thereafter, the Agreement shall automatically extend at the end of the current term or any renewal term for successive two-year periods, unless either party gives written notice of its intention not to renew at least ninety (90) days, but not more than one hundred eighty (180) days, prior to the last date of such term or renewal term, as applicable. This Section shall replace all provisions concerning the term of the Agreement, the renewal of the Agreement, and all notices required to not renew this Agreement.

3. Section 1 of the Agreement is hereby amended by adding the following new subsection (i):

"Credit Card Account" means a credit card account opened by a Member in response to marketing efforts made pursuant to the Program. An "Alumni Credit Card Account" is a Credit Card Account where the primary applicant is an Alumni Customer. A "Student Credit Card Account" is a Credit Card Account where the primary applicant is a Student Customer.

4. The Agreement is hereby amended by adding the following to the end of Section 1(d):

"Student Customer" means a Customer who is identified by HUDAR or the Customer as an undergraduate or graduate student of Howard University. "Alumni Customer" means a Customer who is not a Student Customer.

5. Section 6 of the Agreement is hereby amended by adding "trustees" after the word "officers" in the second line and by adding the following after the last sentence:

MBNA America will defend, indemnify and hold harmless HUDAR, its trustees, directors, officers, agents, employees, parents, subsidiaries, affiliates, successors

and assigns, from and against any causes of action, and the reasonable and actual costs incurred in connection therewith, which arises out of a violation of applicable law by MBNA America, its employees, agents or contractors, in which HUDAR or its trustees, directors, officers, agents, employees, parents, subsidiaries, affiliates, successors and assigns are included as a defendant (referred to as a "Claim"). HUDAR shall, within ten (10) business days of receiving notice of the Claim, notify MBNA America in writing (in the manner provided for in this Agreement) of the Claim. HUDAR agrees (i) not to take any action which may prejudice MBNA America's defense or increase its liability ("Action") with respect to a Claim without MBNA America's prior written approval and (ii) that MBNA America may respond to a Claim as it determines in its sole discretion. If HUDAR takes any Action with respect to a Claim without MBNA America's written approval or HUDAR fails to notify MBNA America of a Claim within fifteen (15) business days of receiving the Claim, unless MBNA America is also a defendant in the Claim, MBNA America shall be released and discharged from any obligation under this Section 6 to indemnify and hold HUDAR harmless with respect to that Claim.

6. Section 9(c) of the Agreement is hereby amended by adding the following to the end of the first sentence: "providing that such approval shall not be unreasonably withheld or delayed."

7. Deleting Section II in its entirety and replacing this with Attachment #1 hereby amends schedule A of the Agreement.

8. In addition to HUDAR's obligations under the Agreement to exclusively endorse the Program, HUDAR agrees that during the term of this Agreement it will not market or solicit proposals for programs offering any Financial Service Products of any organization other than MBNA America.

9. Except as amended by this Addendum, all the terms, conditions and covenants of the Agreement are valid, shall remain in full force and effect, and are hereby ratified and confirmed. Any inconsistencies between this Addendum and the Agreement shall be governed by this Addendum. Notwithstanding anything to the contrary in the Agreement, the Agreement, as amended by this Addendum, shall be governed by and subject to the laws of the State of Delaware (without regard to its conflict of laws principles) and shall be deemed for all purposes to be made and fully performed in Delaware. This Addendum may be executed in any number of counterparts, each of which shall be considered an original, and all of which shall be deemed one and the same instrument. The Agreement, as amended by this Addendum, contains the entire agreement of the parties with respect to the matters covered and no other prior promises, negotiations or discussions, oral or written, made by any party or its employees, officers or agents shall be valid and binding.

IN WITNESS WHEREOF, each party hereto, by its representative, has duly executed this Addendum as of the date first above written, and such party and its representative warrant that such representative is duly authorized to execute and deliver this Addendum for and on behalf of such party.

HOWARD UNIVERSITY DEPARTMENT
OF ALUMNI RELATIONS

By: 2 J ay
Name: Thomas J. Elzey
Title: Senior Vice President/CFO
Date: 2/15/01

MBNA AMERICA BANK, N.A.

By: Michael Durroh
Name: Michael Durroh
Title: SEVP
Date: May 16, 2001

ATTACHMENT #1

II. ROYALTY ARRANGEMENT

During the term of this Agreement, MBNA America will pay HUDAR a Royalty calculated as follows, for those accounts with active charging privileges. MBNA America may create a special class of accounts for HUDAR employees under the Program, and will not pay compensation for such designated accounts. All Royalty payments due hereunder are subject to adjustment by MBNA America for any prior overpayment of Royalties by MBNA America:

A. CONSUMER CREDIT CARD ACCOUNTS

1. \$1.00 (one dollar) for each new consumer Credit Card Account opened, which remains open for at least ninety (90) consecutive days and which is utilized by the Customer for at least one purchase or cash advance which is not subsequently rescinded, the subject of a charge back request, or otherwise disputed.
2. \$1.00 (one dollar) for each Alumni Credit Card Account for which the annual fee is paid by the Alumni Customer. If no annual fee is assessed by MBNA America (other than as a result of a courtesy waiver by MBNA America), then such royalty will be paid for each Alumni Credit Card Account which: 1) has a balance greater than zero as of the last business day of every twelfth month after the opening of that Alumni Credit Card Account; and 2) has had active charging privileges for each of the preceding twelve months.
3. \$3.00 (three dollars) for each Student Credit Card Account for which the annual fee is paid by the Student Customer. If no annual fee is assessed by MBNA America (other than as a result of a courtesy waiver by MBNA America), then such royalty will be paid for each Student Credit Card Account which: 1) has a balance greater than zero as of the last business day of every twelfth month after the opening of that Student Credit Card Account; and 2) has had active charging privileges for each of the preceding twelve months.
4. 0.50% (one half of one percent) of all retail purchase transaction dollar volume generated by Alumni Customers using an Alumni Credit Card Account (excluding those transactions that (1) relate to refunds, returns and/or unauthorized transactions, and/or (2) are cash equivalent transactions (e.g., the purchase of wire transfers, money orders, bets, lottery tickets, or casino gaming chips)).
5. 0.40% (four tenths of percent) of all cash advance and cash equivalent transaction dollar volume generated by Alumni Customers using an Alumni Credit Card Account (excluding those transactions that relate to refunds, returns and/or unauthorized transactions).
6. 0.15% of all retail purchase transaction dollar volume generated by Student Customers using a Student Credit Card Account (excluding those transactions that (1) relate to refunds, returns and/or unauthorized

transactions, and/or (2) are cash equivalent transactions (e.g., the purchase of wire transfers, money orders, bets, lottery tickets, or casino gaming chips)).

7. \$25.00 (twenty-five dollars) for each Credit Card Account opened by HUDAR, not generated by MBNA America marketing programs, but through internal programs sponsored and funded by HUDAR. This is a one time payment, per Credit Card Account opened, net of any marketing costs paid by MBNA America such as providing art work, printing, etc. Any marketing materials developed by HUDAR must be approved in writing by MBNA America prior to distribution.

B. GOLD RESERVE REVOLVING LOAN ACCOUNTS

1. \$0.50 (fifty cents) for each Gold Reserve Account opened, which remains open for at least ninety (90) consecutive days.
2. 0.25% (twenty-five one-hundredths of one percent) of the average of all month-end outstanding balances (excluding transactions that relate to credits and unauthorized transactions) in the calendar year for each Gold Reserve Account. This Royalty will be paid within sixty (60) days of the calendar year end.
3. \$2.00 (two dollars) for each applicable twelve (12) month period that a Customer pays the annual fee on a Gold Reserve Account.

C. GOLD OPTION REVOLVING LOAN ACCOUNTS

1. \$0.50 (fifty cents) for each Gold Option Account opened, which remains open for at least ninety (90) consecutive days.
2. 0.25% (twenty-five one-hundredths of one percent) of the average of all month-end outstanding balances (excluding transactions that relate to credits and unauthorized transactions) in the calendar year for each Gold Option Account. This Royalty will be paid within sixty (60) days of the calendar year end.
3. \$2.00 (two dollars) for each applicable twelve (12) month period that each Gold Option Account remains open.

D. ROYALTY ADVANCES

1. On April 1, 2001, and upon each April 1st thereafter up through and including April 1, 2004, MBNA America shall pay to HUDAR the sum of Fifty Thousand Dollars (\$50,000.00) (each, an "Advance"), as an advance against future Royalties, subject to the provisions set forth below. All Royalties accrued shall, in lieu of direct payment to HUDAR, be applied against each of the Advances until such time as all Advances are fully recouped. Any Royalties accrued thereafter shall be paid to HUDAR as set forth in this Agreement. Notwithstanding the foregoing, (x) MBNA America shall no longer be obligated to pay any additional Advances to HUDAR hereunder, and (y) HUDAR hereby promises to pay MBNA America upon demand an amount equal to the difference between the total amount of the Advance(s) paid by MBNA America and the total amount of accrued Royalties credited by MBNA America against such Advance(s) as of

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the date of such demand, in the event any of the conditions set forth in Clauses (i) through (vi) below should occur:

- (i) the Agreement is terminated prior to the end of the term;
- (ii) HUDAR breaches any of its obligations under this Agreement;
- (iii) MBNA America is prohibited or otherwise prevented from conducting at least two (2) direct mail campaigns to the full updated Mailing List during each consecutive twelve month period during the term of the Agreement;
- (iv) MBNA America is prohibited or otherwise prevented from conducting at least one (1) telemarketing campaigns to the full updated Mailing List during each consecutive twelve month period during the term of the Agreement; and
- (v) MBNA America is prohibited from conducting on-campus promotion campaigns (e.g., tabling and postering) at major events during each consecutive twelve month period during the term of the Agreement.

2. If during any given year(s) during the initial term of this Agreement MBNA America recoups all prior Advances paid by it to HUDAR in prior years, and pays HUDAR Royalties accrued by HUDAR over and above the Royalties used by MBNA America to recoup such prior Advances (the "Paid Out Royalties"), then MBNA America may reduce the amount of any subsequent Advance(s) due by the amount of any such Paid Out Royalties.
